



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	No. G07-14
)	
The Financial Examination of)	FINDINGS, CONCLUSIONS,
CORPORATION OF THE)	AND ORDER ADOPTING REPORT
CATHOLIC ARCHBISHOP)	OF
)	FINANCIAL EXAMINATION
A Domestic Charitable Gift Annuity Issuer.		

BACKGROUND

An examination of the financial condition of **CORPORATION OF THE CATHOLIC ARCHBISHOP** (the Corporation) as of December 31, 2004, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). The Corporation holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings and instructions was transmitted to the Corporation for its comments on November 1, 2006. The Corporation's response to the report is attached to this order only for the purpose of providing convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners' work papers, and submissions by the Corporation.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 9 of the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of and to order the Corporation to take the actions described in the Instructions and Comments and Recommendations sections of the report. The Commissioner acknowledges that the Corporation may have implemented the Instructions and Comments and Recommendations prior to the date of this order. The Instructions and Comments and Recommendations in the report are an appropriate response to the matters found in the examination.

ORDER

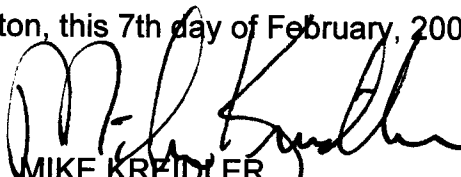
The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

1. Pursuant to RCW 48.38.020(1), the Corporation is ordered to properly record and maintain its CGA reserves on a current basis, as computed in accordance with RCW 48.38.020(3)(a),(b), and (c). Examination Report, Instruction 1, page 1.
2. The Corporation is ordered to develop and implement a system to completely and accurately account for and report its charitable gift annuity business on a calendar year basis or to seek approval for reporting on a fiscal year basis. Examination Report, Instruction 2, page 2.
3. Pursuant to RCW 48.38.010 (9), the Corporation is ordered to obtain the OIC's advance approval for any policy or contract form. Examination Report, Instruction 3, page 2.
4. It is ordered that the Corporation consider implementing a conflict of interest policy and developing a standard conflict of interest statement. Key employees should be required to review the policy and submit a signed statement on an annual basis. Examination Report, Comments and Recommendations 1, page 3.
5. It is ordered that the Corporation consider obtaining and retaining full and adequate documentation of an annuitant's death. This includes a certified copy of the death certificate, and any other relevant data gathered by or furnished to the Corporation. Examination Report, Comments and Recommendations 2, page 3.

6. It is ordered that the Corporation consider updating and revising the trust agreement between the Corporation and the Bank of America to comply with the NAIC Financial Condition Examiners Handbook including the mentioned safeguards and controls in the report. Examination Report, Comments and Recommendations 3, page 3.

IT IS FURTHER ORDERED THAT, the Corporation file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how the Corporation has addressed each of the requirements of this order.

ENTERED at Olympia, Washington, this 7th day of February, 2007.


MIKE KREIDLER
Insurance Commissioner



OFFICE OF
ADMINISTRATION
AND FINANCE

January 30, 2007

Mr. James T. Odiorne, CPA, JD
Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

RE: Financial Examination Report of the Corporation of the Catholic Archbishop (CGA)
as of December 31, 2004

Dear Mr. Odiorne:

I have reviewed the December 31, 2004 Financial Examination Report and agree with the findings cited by your office. My organization has implemented all recommendations.

I appreciated working with the Office of the Insurance Commissioner during their examination of the Archdiocese of Seattle's Charitable Gift Annuity Business.

Sincerely,

Thomas M. Grechis
Assistant Controller

cc: Patrick Sursely, Director of Finance and Administration
Joanne Strom, Director of Planned Giving